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Proposed programme budget for the biennium 2016-2017

Administrative and financial implications arising from the report of the United Nations Joint Staff Pension Board

Report of the Secretary-General

Summary

The report of the United Nations Joint Staff Pension Board to the General Assembly (A/70/325) contains the overall administrative expenses of the United Nations Joint Staff Pension Fund for the biennium 2016-2017 that have financial implications for the budget of the United Nations. In accordance with rule 153 of the rules of procedure of the Assembly, the present report identifies the financial implications for the regular budget should the Assembly adopt the recommendations submitted to it in the report of the Board.

The additional appropriation that would be required under the regular budget for the biennium 2016-2017, arising from the recommendations of the Board, is estimated at $493,600 after recosting.

* A/70/150.

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I. Introduction

1. In the proposed programme budget for the biennium 2016-2017, provisions are made under section 1, Overall policymaking, direction and coordination, for the participation of the United Nations in the costs of the secretariat of the United Nations Joint Staff Pension Fund.

2. In paragraph 1.49 of the proposed programme budget for the biennium 2016-2017 (A/70/6 (Sect. 1)), it is indicated that, at the time of the preparation of the programme budget proposals, the Fund's budget for the biennium 2016-2017 had not been finalized and that, when finalized, it would still be subject to review by the United Nations Joint Staff Pension Board and the General Assembly and that implications for the regular budget, if any, of the action to be taken by the Board and the decision by the Assembly in connection with the budget proposals of the Fund for the biennium 2016-2017 would be the subject of a statement of programme budget implications that would be submitted to the Assembly during its consideration of the report of the Board.

3. In paragraph 1.46 of the proposed programme budget for the biennium 2016-2017, it is indicated that the total amount to be reimbursed by the United Nations for the central secretariat of the Fund is estimated at $23,869,500, based on one third of specific elements of the administrative budget of the Fund, and that the estimated requirements of $13,220,300 ($13,835,300 at 2016-2017 rates) relate to the share of the regular budget in the expenses of the central secretariat of the Fund, excluding reimbursements anticipated from United Nations funds and programmes (United Nations Development Programme, United Nations Population Fund and United Nations Children's Fund).

II. Implications for the United Nations of the report of the United Nations Joint Staff Pension Board

4. According to the report of the Board (A/70/325), the overall resources amounting to $22,249,800 (at 2016-2017 rates) represent the United Nations share in the administrative and audit costs relating to the United Nations Joint Staff Pension Fund.

5. In accordance with established procedures, that overall amount would be shared among the regular budget of the United Nations and the funds and programmes. As reflected in paragraph 1.46 of the proposed programme budget for the biennium 2016-2017, the distribution would require that an estimated 58 per cent of that amount be attributable to the regular budget, with the balance to be reimbursed by the funds and programmes. However, on the basis of the latest data on the number of participants in the Fund, contained in annex IV to the report of the Board, against which the percentage is derived, the above-mentioned percentage share of the regular budget would need to be revised to 64.4 per cent.

6. In applying the revised distribution rate of 64.4 per cent to the proposed overall requirements of $22,249,800, an amount of $14,328,900 (at 2016-2017 rates) would represent the revised regular budget share as compared with the provision of $13,835,300 (at 2016-2017 rates) already included under section 1 of the proposed programme budget. Accordingly, an additional requirement in the

amount of $493,600 (at 2016-2017 rates) would need to be included under section 1 of the proposed programme budget for the biennium 2016-2017, representing: (a) the difference between the preliminary estimate of the regular budget share and the revised amount based on the share of the costs to be borne by the United Nations contained in the report of the Board; and (b) the application of a higher distribution rate of 64.4 per cent for the regular budget share.

III. Action required of the General Assembly

7. **Should the General Assembly approve the proposals and recommendations of the United Nations Joint Staff Pension Board, the overall requirements for the biennium 2016-2017 that would arise for the United Nations are estimated at $22,249,800 (at 2016-2017 rates). Of those requirements, the share of the regular budget would amount to $14,328,900 and the balance of $7,920,900 would be reimbursed to the United Nations by the United Nations Development Programme, the United Nations Population Fund and the United Nations Children's Fund.**

8. **Accordingly, should the General Assembly endorse the proposals of the Board, an additional appropriation of $493,600 would be required under section 1, Overall policymaking, direction and coordination, of the proposed programme budget for the biennium 2016-2017. That amount would represent a charge against the contingency fund.**